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SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA HQ USAF FOR XOXX DA WASHDC FOR SASA JOINT STAFF WASHDC FOR PA

CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR COMSOCEUR VAIHINGEN GE FOR PAO/POLAD COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

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E.O. 12958: N/A TAGS: <u>OPRC KMDR</u> <u>IS</u>

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- ¶1. Mideast
- 12. US-Israel Relations
- 12. North Korea

Key stories in the media:

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Ha'aretz (English Ed.) quoted senior GOI sources as saying that Israel has decided to reassess its relations with the PA and its Chairman [President], Mahmoud Abbas, due to the Mecca Agreement on a unity government between Fatah and Hamas. Ha'aretz quoted senior government sources as saying Tuesday that the agreement, including its implications for the diplomatic process and Israeli-Palestinian relations, will be at the center of Monday's tripartite summit in Jerusalem. Ha'aretz quoted PM Ehud Olmert as saying a preparatory meeting on the summit on Tuesday that the strategic and geopolitical implications of the Mecca Agreement are no less important than those of Hamas's victory in the elections for the Palestinian Legislative Council a year ago. He added that Israel must calculate its policies toward the new Palestinian unity government carefully. Ha'aretz quoted a well-placed government source as saying: "The chances that there will be talk of a political horizon at the summit, given that a Fatah-Hamas government is waiting in the corner, are not high." Yediot wrote that it may be concluded from the preparatory meeting that Olmert believes that there is a chance of resuming negotiations with the Palestinians if the Hamas-Fatah government rejects terror and recognizes Israel and the agreements signed with Israel.

The leading Internet news site Ynet, followed by all media, reported that a Syrian group, the "Popular Committees to Free the Golan Heights," which was founded last summer, announced that it detains a "Zionist solider who disappeared in the Golan." The soldier is believed to be Guy Hever, who disappeared in northern Israel in 1997. The Syrian group reportedly demands the release of nine Syrians imprisoned in Israel. Israel Radio reported that the Israeli defense establishment is checking this declaration.

All media reported that North Korea agreed to halt its nuclear programs in exchange for aid and improved relations with regional powers, but that it later announced a partial retraction. Ha'aretz (Hebrew Ed.) and Yediot quoted Secretary Rice as saying that this is a message to Iran. Ha'aretz bannered the story. The Jerusalem Post quoted Vice PM Shimon Peres as saying on Tuesday: "This shows the international; community that, if they are united, there are a number of options." The Jerusalem Post and Hatzofe quoted Likud MK Yuval Steinitz, former chairman of the Knesset's Foreign Affairs Committee, as saying that the agreement with North Korea increases pressure on Iran. The Jerusalem Post reported that Steinitz told the newspaper that the US should lead the international community. The Jerusalem Post quoted senior GOI officials in Jerusalem as saying on Tuesday, in response to an internal EU document pessimistic of the ability of diplomatic efforts to keep Iran from developing a bomb, that Israel expects the EU to do its utmost to put a "united face" on international efforts to pressure Iran to abandon its nuclear program.

The Jerusalem Post reported that the defense establishment is considering deploying new Arrow 2 missiles batteries, in addition to the two currently in place, at sites throughout the country, including in the South.

The electronic media reported that Maj. Gen. (res.) Gabi Ashkenazi officially become IDF Chief of Staff this morning. Outgoing Chief of Staff Lt. Gen. Dan Halutz was quoted as saying at a parting event from the Knesset's Foreign Affairs and Defense Committee on Tuesday that he was shot in the back, which the media construed as an expression of disapproval of politicians who have criticized him since the war in Lebanon. The Jerusalem Post reported that Halutz, then commander of the Israel Air Force, halted in 2002 development of a weapons system that could have been used against Hizbullah. Development of the system has now resumed on the orders of the current IAF commander, Maj. Gen. Eliezer Shkedy.

Leading media reported that, several hours after announcing it will stop construction work near the Temple Mount, the Jewish Quarter Development Company revoked its decision, declaring that work on the Mugrabi Ascent will proceed as planned. The about-face comes on the heels of pressure from official sources, including the Housing and Construction Ministry and the Prime Minister's Office.

Major media reported that on Tuesday IDF troops killed a member of Fatah's military wing after he opened fire on them and activated an

explosive device that he was trying to place along the Gaza border. None of the soldiers were hurt. The Al-Aqsa Martyrs' Brigades identified the militant as a 23-year-old Gaza resident. A Qassam rocket hit the northern Negev, causing no injuries or damage.

Ha'aretz reported that on Monday a group of Palestinian entrepreneurs presented plans to create a new Palestinian city in the West Bank, located between Ramallah and Nablus. Ha'aretz quoted Palestinian sources as saying that the developers want to build the city in Area A, which is under the PA's full control. The group, headed by businessman Abd al-Malik Jabbar, presented its plan to Israeli, Palestinian, and US officials during an economic conference at the home of the US Ambassador to Israel, Richard Jones. According to sources who were at the Herzliya event, the idea was received with enthusiasm by the attendees, including Defense Minister Amir Peretz. The PA has already allocated land for the new city. The Palestinian delegation included the PA's chief negotiator, Saeb Erekat, and two senior advisers to Abbas. Jones was joined by the US security coordinator for Israel and the PA, Keith Dayton, among others.

The Jerusalem Post reported that the PA has fired hundreds of security officers who refused to participate in the recent fighting against Hamas in the Gaza Strip.

Yediot reported that UN Secretary-General Ban Ki-moon intends to make his first visit to Israel in March or April.

Yediot and Maariv reported that today Olmert will leave for Turkey on a two-day visit.

Yediot and Ha'aretz reported that Israel's National Security Council has warned Israelis against visiting Iraq, citing the danger to their lives there and reminding them that such visits were a criminal offense under Israeli law. Israel Radio said dozens of Israeli businessmen have recently traveled to Iraq, despite the raging warfare there. Yediot told the story of an elderly Iraq-born Israeli woman who visited her native country despite the warnings.

Maariv reported that official Israeli bodies have decided to grant every Iranian Jew the sum of USD 5,000, in order to convince them to immigrate to Israel.

¶1. Mideast:

Summary:

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The independent, left-leaning Ha'aretz editorialized: "Abbas's way is supposed to defeat that of Hamas, but he will evidently receive no succor from the Israeli government."

Block Quotes:

"What Is a Political Horizon?"

The independent, left-leaning Ha'aretz editorialized (2/14): "While the Palestinians are discussing the renewed negotiations with Israel that will begin with the upcoming summit, and Palestinian Authority Chairman Mahmoud Abbas is declaring that issues related to a permanent agreement will be on the agenda, the Israeli government is talking about 'theoretical talks,' and its representatives explain the use of the abstract term 'political horizon' as an attempt to lower expectations. That is not a political message of hope for the future or even a promise to go in that direction. Abbas's way is supposed to defeat that of Hamas, but he will evidently receive no succor from the Israeli government."

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### ¶2. US-Israel Relations:

#### Summary:

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Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz: "If Israel wants the United States to continue to demonstrate its support, and if the United States wants Israel to know that its support has not been eroded, and if both of them want the world to see that the American backing is stable, then the wallet has no substitute."

## Block Quotes:

"Looking For Love in the Wallet"
Washington correspondent Shmuel Rosner wrote in the independent,
left-leaning Ha'aretz (2/14): "In the run-up to the 2008 elections,
the parties and their candidates will not want to conduct battles of
attrition on such a sensitive subject [US assistance to Israel].....
However, the most convincing argument in favor of continuing the
aid, at least right now, is in fact the least focused and is almost
emotional. It is similar to American Jews' insistence on donating
money to Israel, not necessarily because of the urgent need but
because of the power of money in translating concern and affection
into concrete action. 'Put your money where your mouth is,' as the
adage goes. If Israel wants the United States to continue to
demonstrate its support, and if the United States wants Israel to
know that its support has not been eroded, and if both of them want
the world to see that the American backing is stable, then the
wallet has no substitute."

# 13. North Korea:

Summary:

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The conservative, independent Jerusalem Post editorialized: "Even if the North Korean deal is faulty, it demonstrates that sanctions can work. All that is lacking is Western will."

#### Block Quotes:

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"North Korea's Deal"

The conservative, independent Jerusalem Post editorialized (2/14): "The lesson from the North Korea deal for the Iranian situation ... should be this: A tough international stance can force rogue regimes to back down, but the further the regime is along the nuclear path, the higher the price, and the harder an agreement is to enforce.... The Libyan and even the North Korean cases put the lie to European defeatism, as exemplified by a new EU report that suggests that sanctions will not stop Iran's nuclear program.... The US and Europe alone can impose much more effective diplomatic and economic sanctions than have been approved to date. European nations have not even cut off subsidies for trade with Iran, let alone imposed a trade embargo. No formal diplomatic sanctions have been imposed. Europe has made no move to indict President Mahmoud Ahmadinejad for incitement to genocide, following his calls to eliminate Israel,

despite the provisions of the Genocide Convention requiring all signatory nations to do so. Even if the North Korean deal is faulty, it demonstrates that sanctions can work. All that is lacking is Western will."

JONES